



Memorandum

Date: January 6, 1999

To: Ecosystem Roundtable Subcommittee

From: Wendy Halverson Martin
Restoration Coordinator

Subject: Requests for Project Amendments

SUMMARY

Three projects and one program have requested adjustments in funding amendments.

One program has requested increased funding as follows:

Project	Program Manager	Original Funding	Increased Funding (percent increase)	Reason for Amendment
Watershed Management	US Environmental Protection Agency	\$2,923,184	\$81,663 (3%)	Accounting mistake while budgeting

Three projects have requested project amendments as follows:

Project	Proponent	Original Funding	Requested Change (percent increase)	Time Extension	Reason for Amendment
Liberty Island Acquisition (97-B03)	US Fish and Wildlife Service	\$8,577,000	+\$170,000 (2%)	To October 31, 1999	Budget and administrative costs

CALFED Agencies

California
The Resources Agency
Department of Fish and Game
Department of Water Resources
California Environmental Protection Agency
State Water Resources Control Board

Federal
Environmental Protection Agency
Department of the Interior
Fish and Wildlife Service
Bureau of Reclamation
U.S. Army Corps of Engineers

Department of Agriculture
Natural Resources Conservation Service
Department of Commerce
National Marine Fisheries Service

Assessment of the Sacramento-San Joaquin River Delta as Habitat for the Production of the Food Resources that Support Fish Recruitment (97-B06)	US Geological Survey	\$1,400,000	+\$40,649 (3%)		USGS administrative charges for subcontracting to three universities.
Butte Creek Watershed Coordinator Assistant (98-F02)	Butte Creek Watershed Conservancy	\$32,700	+\$8,745 (27%)		Increasing activity

ACTION

Roundtable Subcommittee members are requested to judge three of these four amendments: the Watershed Management program; Liberty Island Acquisition project (97-B03); and Assessment of the Sacramento-San Joaquin River Delta as Habitat for the Production of the Food Resources that Support Fish Recruitment project (97-B06).

The Butte Creek Watershed Coordinator Assistant project (98-F02) request for amendment is a Level 1 amendment and does not require Ecosystem Roundtable action, and is included for information.

DISCUSSION

The contract amendment process provides for three levels of amendment depending on the nature and extent of the proposed change (budget, time, or scope). The process for these amendments is discussed on the attached page.

A. CALFED Programs

One program has requested increased funding as follows:

1. Watershed Management Program

Issue: The US EPA administers the Watershed program for CALFED, which consists of 14 separate projects. The EPA has requested an additional \$81,663 to compensate for a miscalculation by EPA staff. All of the projects are to be funded at the originally approved budget amounts. EPA miscalculated the amount of EPA FY98 funds available for the newly selected watershed projects. In particular, a portion of the remaining funds were already earmarked for a CALFED watershed project previously approved for Big Chico Creek.

Staff Recommendation: Increase program funding.

B. Project Amendments

Three projects have requested project amendments, two requiring Ecosystem Roundtable subcommittee actions, and one for information, as follows:

1. Liberty Island Acquisition (Project 97-B03)

Issue: In December 1997, CALFED approved \$8,577,000 for the acquisition of Liberty Island by the US Fish and Wildlife Service. The Service has requested an additional \$170,000 "to complete the planning process and defray the budget and administrative costs associated with the acquisition of Liberty Island (i.e., planning, appraisals, title policy, surveys, administrative cost recovery, etc.)." The Service has also requested a time extension to October 31, 1999.

Staff Recommendation: The amendment is justified due to the difficulty determining these costs during the proposal preparation.

2. Assessment of the Sacramento-San Joaquin River Delta as Habitat for the Production of the Food Resources that Support Fish Recruitment (Project 97-B06)

Issue: In December 1997, CALFED approved \$1,400,000 for this study by the US Geological Survey. The Survey has requested an additional \$40,649 "to reimburse the USGS for additional services of project administration that were not included in the proposal as submitted to CALFED."

Staff Recommendation: This cost amendment request is reasonable since agency overhead is a cost to the agency performing the work and the amendment should be granted.

3. Butte Creek Watershed Coordinator Assistant (Project 98-F02)

In December 1997, CALFED approved \$32,700 to fund this position for the Butte Creek Watershed Conservancy. The Conservancy has requested an additional \$8,745 "to help offset the Conservancy's growing annual operating costs."

Fish and Wildlife Service (the contracting agency) and CALFED staff have approved the request for additional funding for the Butte Creek Watershed Coordinator.

cc: Ecosystem Roundtable Members

Contract Amendment Process

Level 1 Amendments

Level 1 amendments would be defined as (a) cumulative time extensions up to nine months, (b) changes in scope of services which will not alter the final outcome of the project, and (c) budget increases not to exceed a total of \$25,000 for each contract. Decisions on amendments at this level would be made by contracting agency staff after consulting with CALFED staff. Contracting agencies may delegate decision-making to the Executive Director of the CALFED Bay-Delta Program, as appropriate.

Level 2 Amendments

Level 2 amendments consist of requests for (a) cumulative time extensions over 9 months, or (b) cumulative budget increases up to 30% of the contract amount, but not greater than \$500,000 or (c) changes in scope of services which alter the final outcome of the project.

These amendment requests would be considered by an Ecosystem Roundtable subcommittee which would meet in a publicly noticed meeting and consider each amendment in detail. The Ecosystem Roundtable members would provide review and comment on the proposed amendments. A group of Management Team members would participate in reviewing the contract amendments at the same meeting with members of the Roundtable subcommittee. The Management Team subgroup would then make their recommendation with the input from the Ecosystem Roundtable members. The Management Team subgroup could decide whether an individual item merits full Management Team review and discussion, and/or Policy Group review. If an item is identified as not meriting additional discussion, then the Management Team subgroup's recommendation would be transmitted directly to the appropriate contracting agency. Interior, Resources Agency, and the Environmental Protection Agency would have the final approval over their respective funding sources.

Level 3 Amendments

Level 3 amendments consist of amendment requests of cumulative budget increases of 30% or more of the contract amount or over \$500,000. Level 3 amendments will be reviewed through the same process as Level 2 amendments, but will need to be presented to the Policy Team who will transmit their recommendation to the respective funding source.

Reporting

The Management Team, Policy Group, Ecosystem Roundtable and BDAC would have all amendments reported to them as information items.